

(Washington, D.C.) Citing the significant financial burden that a loss of health insurance benefits places on fixed-income retirees from the Delphi Corporation, Congressman Tim Ryan weighed in with a letter to the bankruptcy court on Monday. The letter to Judge Robert D. Drain, the presiding judge overseeing Delphi Corporation's bankruptcy proceedings, implored the judge to consider the significant economic repercussions the loss of benefits causes the retirees.

"The financial burden will be approximately \$14,000 per retiree per year, an unacceptable sudden financial challenge," Congressman Ryan states in his letter. "I am outraged by the fact that Delphi Corporation admits in its document that canceling these health care benefits 'will impose a real hardship on the former beneficiaries of these terminated programs,' yet the corporation plans to continue proceedings to the detriment of many of my constituents. "

In the letter, Congressman Ryan also reminds Judge Drain of the significant effects that the loss of benefits will have to the community at large. The loss of health benefits will force retirees to spend a much larger share of their expendable income on health care rather than in other sectors of the economy which would create a domino effect throughout Northeast Ohio.

"Many Delphi retirees reside in the 17th congressional district and in Northeastern Ohio generally, a region already facing many economic obstacles," said Congressman Tim Ryan. "To cut retirees' health benefits would create a domino effect in which health care providers in

our communities would also suffer from a lighter patient load, due to the lack of health care benefits. Not only would the health care industry be affected, but, Delphi Corporation retirees would have to spend their disposable income on essential medical treatment, funds that will no longer go to retail and service providers.”

The full letter can be found below.

February 13, 2009

United States Bankruptcy Court

One Bowling Green

New York, New York 10004

**Attn: Judge Robert D. Drain**

Re:

Delphi Corporation Case #05-44481 (RDD)

Document #14705 to cancel OPEB (Health Insurance Benefits) for all Salaried Retirees

Dear Judge Drain:

I write to express my serious concern regarding Delphi Corporation's February 4, 2009 filing of Document #14705. As U.S. Representative of the 17th District of Ohio, I object to Delphi's request to cancel health benefits (OPEB) for over 15,000 salaried Delphi retirees, many of whom are my constituents.

Delphi Corporation's plan to cut the health benefits to salaried retirees creates a dilemma for the retirees and their families. Firstly, the expiration date of health benefits is April 1, 2009, which allows very limited time for retirees to consider how they will assume the massive financial burden of paying for health care. It is estimated that this cost will be approximately 10 times the annual premium for health care. The financial burden will be approximately \$14,000 per retiree per year, an unacceptable sudden financial challenge. I am outraged by the fact that Delphi Corporation admits in its document that canceling these health care benefits "will impose a real hardship on the former beneficiaries of these terminated programs," yet the corporation plans to continue proceedings to the detriment of many of my constituents.

Not only will Delphi Corporation's plan hurt the individual retirees and their families, it will also harm the communities in the 17th congressional district of Ohio. Many Delphi retirees reside in the 17th congressional district and in Northeastern Ohio generally, a region already facing many economic obstacles. To cut retirees' health benefits would create a domino effect in which health care providers in our communities would also suffer from a lighter patient load, due to the lack of health care benefits. Not only would the health care industry be affected, but, Delphi Corporation retirees would have to spend their disposable income on essential medical treatment, funds that will no longer go to retail and service providers. I am sure that you understand that the cascading effect is inevitably disastrous, and, for that reason, I ask that you refrain from favoring the debtor's plan.

I also would ask you to consider the current economic and political situation of the country at large. The United States House of Representatives, along with President Obama and his Administration, are committed to ensuring the well-being of the domestic auto industry, of which Delphi Corporation is a part. With proper action by the federal government, Delphi Corporation's dire predictions regarding industry collapse, could be mitigated. The debtors have decided to cancel the health benefits of its salaried retirees based on the absolute collapse of the auto industry, which the Congress and President are committed to prevent.

Please consider the burden Delphi Corporation is placing upon its retirees, their families and their communities. Fourteen thousand dollars of unanticipated costs is burdensome for a retiree on a fixed income. Delphi Corporation's plan is one that its retirees cannot accept and I ask for your objection to the cancellation of their health benefits. Thank you for your consideration.

Sincerely,

Tim Ryan

Member of Congress

CC: Clerk of U.S. Bankruptcy Court for the Southern District of New York

CC: Kayalyn A. Marafioti

Thomas J. Matz

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Debtors and Debtors-in-Possession

